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UNITED STATES BANKRUPTCY COURT DISTRICT OF WYOMING

In re:) Chapter 11
POWELL VALLEY HEALTH CARE, INC.,) Case No. 16-20326
Debtor-in-Possession.)
)

DEBTOR'S THIRD MOTION FOR ORDER EXTENDING PERIOD WITHIN WHICH PARTIES MAY REMOVE ACTIONS

Powell Valley Healthcare, Inc. (the "Debtor"), pursuant to section 105(a) of title 11 of the United States Code (the "Bankruptcy Code"), section 1452 of title 28 of the United States Code (the "Judicial Code") and rules 9006 and 9027 of the Federal Rules of Bankruptcy Procedures (the "Bankruptcy Rules"), hereby files its Third Motion for Order Extending Period Within Which Parties May Remove Actions (the "Motion"). In support of the Motion, the Debtor respectfully represents:

I.

CERTIFICATE OF CONFERENCE

Counsel for the Debtor has discussed the relief requested in this Motion with counsel for the Committee. The Committee does not oppose the relief sought herein.

II.

BACKGROUND

B. General Background

- 1. The Debtor is a Wyoming non-profit corporation qualified to do business pursuant to section 501(c)(3) of the United States Internal Revenue Code as a public charity. Its mission is to provide healthcare services to the greater-Powell, Wyoming community. In fulfilling its mission statement, the Debtor serves a total population of approximately 7500 people with the highest concentration of the population in Powell. The Debtor is the only acute care healthcare facility in Park County, Wyoming and is over 25 miles driving distance from the closest comparable facility.
- 2. On May 16, 2016 (the "Petition Date"), the Debtor filed its voluntary petition (the "Petition") for relief under chapter 11 of title 11 of the United States Code (the "Bankruptcy Code"), thereby commencing the above-captioned chapter 11 case (the "Chapter 11 Case"). The Debtor continues to manage and operate its business as a debtor in possession pursuant to Bankruptcy Code sections 1107 and 1108. No trustee or examiner has been requested or appointed in the Chapter 11 Case.
- 3. On June 21, 2016, the Office of the United States Trustee (the "U.S. Trustee") appointed an official committee of unsecured creditors for the Chapter 11 Case.

C. Background Facts Specific to the Motion

- 4. Prior to the Petition Date, the Debtor was named as a defendant in a number of civil actions. Certain of these actions (the "Actions") remain pending in state and federal courts Wyoming. The Debtor has not at this time determined whether it will remove all or any of such actions to the district court for the district in which such actions are pending, *i.e.*, the United States District Court for the District of Wyoming (the "District Court").
- 5. On August 5, 2016, the Debtor filed a motion to extend the deadline by which the Actions must be removed to the District Court. On August 25, 2016, this Court entered an order extending the removal deadline to February 17, 2017. On February 15, 2017, the Debtor filed its second motion to extend the deadline by which the Actions must be removed to District Court. On March 8, this Court entered an order extending the removal deadline under May 15, 2017.
- 6. The Debtor has filed a disclosure statement and plan of reorganization. The Debtor does not believe that the plan will be confirmed prior to the May 15, 2017 deadline and the Debtor further does not believe that it will be in a position to make an informed decision with respect to removal while confirmation of the plan is pending. Accordingly, the Debtor brings this Motion.

III.

JURISDICTION

7. This Court has jurisdiction to consider this matter pursuant to sections 157 and 1334 of the Judicial Code. This is a core proceeding pursuant to section 157(b) of the Judicial Code. Venue is proper before this Court pursuant to sections 1408 and 1409 of the Judicial Code.

IV.

RELIEF REQUESTED

8. By this Motion, the Debtor requests an order fixing October 15, 2017 as the deadline to remove civil actions initiated prior to the Petition Date (the "Removal Deadline"). The Removal Deadline is currently fixed, per Court order, as May 15, 2017. The Removal Deadline requested herein, if approved, would constitute a five month extension of the existing Removal Deadline.

IV.

BASIS FOR RELIEF REQUESTED

9. Bankruptcy Rule 9027 and Judicial Code section 1452 govern the removal of pending civil actions. Specifically, section 1452(a) provides:

A party may remove any claim or cause of action in a civil action other than a proceeding before the United States Tax Court or a civil action by a governmental unit to enforce such governmental unit's police or regulatory power, to the district court for the district where such civil action is pending, if such district court has jurisdiction of such claim or cause of action under section 1334 of this title.

28 U.S.C. § 1452(a). Bankruptcy Rule 9027 sets forth the time period for filing notices to remove claims or causes of action and provides, in relevant part:

If the claim or cause of action in a civil action is pending when a case under the [Bankruptcy] Code is commenced, a notice of removal may be filed only within the longest of (A) 90 days after the order for relief in the case under the [Bankruptcy] Code, (B) 30 days after entry of an order terminating a stay, if the claim or cause of action in a civil action has been stayed under § 362 of the [Bankruptcy] Code, or (C) 30 days after a trustee qualifies in a chapter 11 reorganization case but not later than 180 days after the order for relief.

Fed. R. Bankr. P. 9027(a)(2).

10. Bankruptcy Rule 9006(b)(1) permits the Court to enlarge unexpired time periods as follows:

Except as provided in paragraphs (2) and (3) of this subdivision, when an act is required or allowed to be done at or within a specified period by these rules or by a notice given thereunder or by order of court, the court for cause shown may at any time in its discretion (1) with or without motion or notice order the period enlarged if the request therefor is made before the expiration of the period originally prescribed or as extended by a previous order or (2) on motion made after the expiration of the specified period permit the act to be done where the failure to act was the result of excusable neglect.

Fed. R. Bankr. P. 9006(b)(1).

11. The Debtor is a party to the Actions, which are numerous and complex. Additional time is necessary to determine which, if any, of the Actions should be removed to the District Court. The Debtor has filed a disclosure statement and plan of reorganization and if that plan (or a similar one is confirmed), the Debtor will *not* remove

the Actions. However, if the proposed plan (or a similar one) is not confirmed, the Debtor wishes to preserve its right to remove the Actions. Moreover, an extension of the Removal Deadline will afford other parties to the Actions time to focus upon and evaluate the proposed plan of reorganization as opposed to responding to a removal proceeding which may become moot if the Debtor's proposed plan (or a similar one) is confirmed.

- 12. The Debtor submits that extending the Removal Deadline will ensure that the Debtor's decisions are fully informed and consistent with the best interests of its estate. Furthermore, nothing herein will prejudice any party to any Action that the Debtor may ultimately seek to remove from seeking to remand such action pursuant to section 1452(b) of the Judicial Code at the appropriate time.
- 13. For the foregoing reasons, the Debtor submits that the relief requested herein is in the best interests of the Debtor, its estate, and its creditors. As the Court is authorized to grant the relief requested and extend the Removal Deadline, *see*, *e.g.*, *Pacor v. Higgins*, 743 F.2d 984, 996 n.17 (3d Cir. 1984); (period in which to file motion to remove may be expanded pursuant to Bankruptcy Rule 9006); *In re Fairfield Sentry Ltd.*, 458 B.R. 665, 691 (S.D.N.Y. 2011) (same), the Debtor respectfully requests that it do so.

CONCLUSION

WHEREFORE, the Debtor respectfully requests that the Court grant (a) the relief requested herein; and (b) such other relief as the Court deems just and proper.

Dated: Cheyenne, Wyoming

May 11, 2017

MARKUS WILLIAMS YOUNG AND ZIMMERMANN LLC

By: <u>/s/ Jennifer Salisbury</u>

Bradley T. Hunsicker (WY Bar No. 7-4579) Jennifer Salisbury (WY Bar No. 7-5218)

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Counsel for the Debtor and Debtor-in-Possession

CERTIFICATE OF SERVICE

The undersigned certifies that on May 11, 2017, a copy of the foregoing was served via U.S. Mail, postage prepaid, upon **The Office of the United States Trustee** and those parties as stated on the Limited Service List attached hereto.

<u>/s/ Jessica M. Anderson</u> Jessica M. Anderson

In re POWELL VALLEY HEALTH CARE, INC. Wyoming Bankruptcy Case No. 16-20326

LIMITED SERVICE LIST

Last Updated: May 11, 2017

Parties Who Have Entered Their Appearance		
First Bank of Wyoming c/o Timothy L. Woznick Gregory C. Dyekman Dray, Dyekman, Reed & Healey, P.C. 204 East 22nd Street Cheyenne, Wyoming 82001	US Trustee 308 West 21st Street, 2nd Floor Cheyenne, WY 82001	
United States Trustee c/o Daniel J. Morse 308 W. 21st St., Ste. 203 Cheyenne, WY 82001	United States Trustee c/o Alan Motes United States Trustee, Region 19 Byron G. Rogers Federal Building 1961 Stout Street, Suite 12-200 Denver, CO 80294	
Darcy Ronne, Jan and Bart Brinkerhoff, Jody and Jerry Sessions, Joetta Johnson, Keela and Brock Meier, Lynn and Janet Snell, Martha and Richard McMillen, Michelle Oliver, Nathaniel and Sheena Bates, Shannon Eller, Veronica and William Sommerville, Anthony and Laurie DiPilla, Kalan Nicholson, Nancy and Earl Crawford, III, Nancy and Larry Heiser, Sheryl and Darin Henderson, Susan and Scot Stambaugh, Beverley Curtis, Harry and Jo Ann Knopp, Mark Bonamarte, Shane and Jayme Wilson and Susan and Doug Scott, Nanette Nofzinger, Kelly Hatcher; William C. Haney c/o Randy L. Royal P.O. Box 551 524 5th Ave. S. Greybull, WY 82426	Stryker Instruments, a Division of Stryker Corporation c/o Lori L. Purkey Purkey & Associates, P.L.C. 5050 Cascade Road, SE, Suite A Grand Rapids, MI 49546	

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UMIA Insurance, Inc.	UMIA Insurance, Inc.
c/o James T. Burghardt	c/o Julie Nye Tiedeken
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George E. Powers, Jr.	George E. Powers, Jr.
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HealthTech Management Services, Inc.	Beckman Coulter, Inc.
c/o Ethan J. Birnberg	c/o Daniel R. Schimizzi
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Anthony and Laurie DiPilla; Darcy Ronne, Jan and	Lexington Insurance Company, Inc.
Bart Brinkerhoff, Jody and Jerry Sessons, Joetta	Deborah M. Kellam
Johnson, Kalan Nicholson, Keela and Brock Meier,	Lance E. Shurtleff
Lynn and Janet Snell, Martha and Richard McMillen, Michelle Oliver, Nancy and Earl Crawford, III, Nancy	Hall & Evans, L.L.C.
and Larry Heiser, Nathaniel and Sheena Bates,	2015 Central Ave., Suite C
Shannon Eller, Sheryl and Darin Henderson, Veronica	Cheyenne, WY 82001
and William Sommerville	·
c/o Sarah A. Kellogg	
Robert A. Krause	
Elizabeth Richards	
Elizabeth Richards The Spence Law Firm, LLC	

20 Largest U	20 Largest Unsecured Creditors		
McKesson Corp Bank of America	COMPHEALTH		
Lock Box LAC-057256 2706	P.O. Box 972651		
Media Center Dr	Dallas, TX 75397-2651		
Los Angeles, CA 90065			
MRI CONTRACT STAFFING, INC.	Vista Staffing Solutions, Inc.		
10 Penn Center 14th	#50834		
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Philadelphia, PA 19103	Los Angeles, CA 90074-0834		
Command Health	WEATHERBY LOCUMS, INC.		
PO Box 844797	PO Box 972633		
Dallas, TX 75284-4797	Dallas, TX 75397-2633		
ENTECH	SYSCO FOOD SERVICES		
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OWENS & MINOR	Toshiba Am Med Sys, Inc.		
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AIRGAS USA, LLC	FUSION HEALTHCARE STAFFING		
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Personal Injury Tort Claimants 1-25 c/o Their counsel identified below	

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The Law Offices of Collin Hopkins, P.C.		
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Secured Creditor	
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(See Parties Who Have Entered Their Appearance)	

Committee

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Priority Claimants

N/A

Office of the United States Trustee

See parties entering an appearance

Parties Against Whom Relief is Sought

N/A